

October 19, 2017

The Honorable Heidi Heitkamp United States Senate Washington, D.C. 20510 The Honorable Jeanne Shaheen United States Senate Washington, D.C. 20510

The Honorable Joe Donnelly United States Senate Washington, D.C. 20510

Dear Senators Heitkamp, Shaheen, and Donnelly:

On behalf of the membership of the Healthcare Leadership Council (HLC), I am writing to express our strong support for S. 1978, the Small Business and Family Health Tax Relief Act. This important legislation would delay the health insurance tax (HIT) until 2020.

HLC is a coalition of chief executives from all disciplines within American healthcare. It is the exclusive forum for the nation's healthcare leaders to jointly develop policies, plans, and programs. Members of HLC – hospitals, academic health centers, health plans, pharmaceutical companies, medical device manufacturers, laboratories, biotech firms, health product distributors, pharmacies, post-acute care providers, and information technology companies – advocate for measures to increase the quality and efficiency of healthcare through a patient-centered approach.

Like you, HLC supports giving Americans access to affordable healthcare. Recognizing this need, Congress previously took bipartisan action to delay the HIT through 2017. An independent analysis by Oliver Wyman found that this moratorium reduced average health insurance premiums by 3 percent. If the fee is not delayed again, it will lead to \$22 billion in increased premiums in 2018, and \$267 billion in increased premiums from 2018-2027. The HIT will affect not only consumers on the individual exchanges, but also small business owners, large employers, seniors covered by the Medicare Advantage and Part D prescription drug programs, Medicaid managed care beneficiaries, and stand-alone dental and vision plan enrollees.

HLC is proud to support S.1978, and urges Senate action to delay or repeal the HIT. By doing so, you can help ensure that Americans are able to afford their health insurance premiums. Additionally, this will assist in stabilizing the health insurance market for consumers and providers.

Thank you in advance for your consideration. HLC looks forward to continuing to work with you on the HIT delay. Should you have any questions, please do not hesitate to contact Debbie Witchey at (202) 449-3435.

Sincerely,

Mary R. Grealy

President